

is treated as the owner of any portion of such trust or (ii) who receives (directly or indirectly) any distribution from the trust.

"(2) TRUSTS NOT HAVING UNITED STATES AGENT.—

"(A) IN GENERAL.—If the rules of this paragraph apply to any foreign trust, the determination of amounts required to be taken into account with respect to such trust by a United States person under the rules of subpart E of part I of subchapter J of chapter 1 shall be determined by the Secretary.

"(B) UNITED STATES AGENT REQUIRED.—The rules of this paragraph shall apply to any foreign trust to which paragraph (1) applies unless such trust agrees (in such manner, subject to such conditions, and at such time as the Secretary shall prescribe) to authorize a United States person to act as such trust's limited agent solely for purposes of applying sections 7602, 7603, and 7604 with respect to—

"(i) any request by the Secretary to examine records or produce testimony related to the proper treatment of amounts required to be taken into account under the rules referred to in subparagraph (A), or

"(ii) any summons by the Secretary for such records or testimony.

The appearance of persons or production of records by reason of a United States person being such an agent shall not subject such persons or records to legal process for any purpose other than determining the correct treatment under this title of the amounts required to be taken into account under the rules referred to in subparagraph

(A). A foreign trust which appoints an agent described in this subparagraph shall not be considered to have an office or a permanent establishment in the United States, or to be engaged in a trade or business in the United States, solely because of the activities of such agent pursuant to this subsection.

"(C) OTHER RULES TO APPLY.—Rules similar to the rules of paragraphs (2) and (4) of section 6038A(e) shall

apply for purposes of this paragraph.
"(c) REPORTING BY UNITED STATES BENEFICIARIES OF
FOREIGN
TRUSTS.—

"(1) IN GENERAL.—If any United States person
receives
(directly or indirectly) during any taxable year of
such person
any distribution from a foreign trust, such
person shall make
a return with respect to such trust for such year
which in-
cludes—

"(A) the name of such trust,
"(B) the aggregate amount of the
distributions so
received from such trust during such
taxable year, and
"(C) such other information as the
Secretary may
prescribe.

"(2) INCLUSION IN INCOME IF RECORDS NOT
PROVIDED.—

"(A) IN GENERAL.—If adequate records are not
provided
to the Secretary to determine the proper
treatment of any
distribution from a foreign trust, such
distribution shall
be treated as an accumulation distribution
includible in
the gross income of the distributee under
chapter 1. To